Erik: Joining me now is HonTe Investments founder and bestselling book author Alex Guravich. Alex has a new book out, of course, the first book everyone remembers is the Perfect Trade. The next book is called The Next Perfect Trade. We'll talk about that at the end of today's interview. But Alex, I want to jump in and start with your specialty, which is fixed income.

Boy, talk about a moment in fixed income markets where there's a lot of variant perceptions. Some people are saying, look with Jay Powell going out, Trump is gonna get his way. We're headed toward much lower interest rates. At the same time there's other people saying no, it's it's the opposite.

Too low of a policy rate is going to ignite inflation fears. We could see a crash in the backend of the bond market. What's your take? How should we understand the fixed income market and the outlook for bonds?

Alex: Eric, thank you for having me here. It's good to be back. And yes, let's start with a fixed income market because I think US fixed income market lies at the heart of everything, and it responds to probably the most robust set of economic data, which is US economic data.

Though admittedly economic data in the US over the last few months has been quite confusing. Even like to think of the Government shutdown, which disrupted various economic statistics reports and made them very distorted and a lot of conflicting data. We could dig into this a little more, but just to look at the big picture.

The data has been inconclusive. As for the fears that over easy policy by the Fed will crush the long end of the curve, I think it legitimate to expect serious steepening of the yield curve. The beginning of every easing cycle. It's not that, for example, when people were giving an example, people were talking about how last year there was a bunch of easings, but long dated yield didn't budge.

That is actually not strange at all for someone. Who traded almost 30 years of fixed income markets like myself, I've seen this picture many times over, starting from, for example, the years like 2001, 2002, when there were periods when the short term interest rates fell dramatically. But the long term interest rates were sticky, causing a steep yield curve.
That's a somewhat normal picture. What happens? At least in my experience that first should't rate and interest rates go down and then long and sticky. Then eventually, when rates stay low for a while, people get excited about going out

on the curb and picking up the carry and that carry hogging if you wish, leads at some point a very intense rally in the long end.

Which is usually also overdone, like it was in 2000, beginning of 2003, ended up in a sell off. It was overdone during Partially in 2016 and of course overdone in 2020. All of those, in hindsight, overdone. So those overdone long end rallies come, but they come much later. So I don't think we're very different from that playbook so far.

Just in terms of behavior of market itself. Now a separate thing is to discuss is what is actually under the hood and how is this economic environment different?

Erik: Alex, let's keep that thought going and dive a little bit deeper.

Alex: There is a concern about the Fed being over easy and creating inflation with this administration.

Now I'm probably fall on the side of not being too concerned about the facts of Fed policy. Different constitution or different like slight hawkishness of ishness of the Fed, about, I'm not too concerned about this having a major impact. Why is that? So I really believe that the difference between hawkish and dovish fed is at most 50 basis point range for a couple of meetings because eventually the data dictates.

One way or another. The reason there is a little bit of range of outcomes right now, because this data is ambiguous, if the data becomes unambiguous. For example, if we have inflation continuing to moderate and employment continuing to deteriorate, any FED hawkish or dovish will take rates down and eventually take them to zero until the situation rectifies.

So the difference between dovish and hawkish Fed is really how quickly they get to inevitable policy, inevitable convergence of policy. Now of course, you could argue that is the history of the Fed operating on a somewhat reasonable assumptions versus highly politicized FED I really cannot give you a full picture on this because we dunno if the Fed will be completely different. My intuition for now is that it won't be that different. That's the first thing I'll start with. And the second thing is what is really gonna win? Inflationary deflationary impulses on the economy right now.

Erik: Alex, let's go ahead and dive into those economic drivers. Then, as you say, we'll set the politics aside and talk about the fundamentals.

Alex: So what really drives interest rate? Let's start with a very simple principle that the Fed has dual mandate inflation and employment, and inflation, as we know has been particularly high, but not necessarily deteriorating even probably there are many signs of softening inflation and employment. On the other hand is softening, but not yet convincingly, there is no convincing down spiral.

So we have that picture of somewhat push pull, both not very strong push pulls on either side. So that's what creates ambiguity. Now I have to confess, I have a confirmation bias because for a couple of years now, I've been pounding my fist on the table to say that this higher real interest rates will lead to eventually deterioration in employment because once you make money more expensive, the balance sheet. Balance sheets start shrinking and people are incent less incentivized to expand and employ people.

That's just a normal process. So I was waiting for the cycle to happen. So as I'm seeing the cycle happening, I'm of course getting a confirmation. Yay, I told you. The job market is deteriorating, however, it is not de deteriorating awfully fast. I cannot really claim victory. There are many indications that show it's still being relatively stable.

Furthermore, there is a little bit of ambiguity. How much of it's AI Now I fall into the camp that AI has not yet made a significant dent in the job market, but will in the long run. That's my view of the situation. I believe that AI will lead to tremendous deterioration of job opportunities, which is, and again, we can go into this deeper, but very differently from any other past technology.

In some aspects, it'll act similar to past technologies in technological advances, but in some areas it'll act differently. So it's not a single one way how AI will affect job market. So there will be areas in which AI will do, which past technologies did, which just change the texture of the job market and in sa and change the structure of certain economic activities, but without actually taking them away in certain areas AI will eliminate a whole categories of economic activities and that interesting it might be headwind not just for employment, but for GDP as well. This is where I'm not sure, like everybody talks about explosive AI growth, and as a person who believes in singularity, of course I have to subscribe to long term explosive AI driven growth.

It's hard not to subscribe to it, but I not necessarily see explosive AI driven growth in the short horizon.

Erik: Alex, I wanna ask you how you think about where AI fits into the economy and how it's gonna play. 'cause some people say, ah, AI, it's an interesting trend, but once they figure out how much the energy's gonna cost, it'll probably fizzle out.

I don't see it that way at all. I see AI as being. A cold war like arms race thing, where it's going to be so important from a military perspective that governments, particularly US, Russia, and China, are going to recognize that whoever wins AI was just like, winning the space race in the 1960s was all about military dominance.

Once you controlled space, you could drop nuclear warheads from space on the other guy. I think AI is gonna be that important. And I think that whether you like the fact that it's going to create an energy crisis, and I think it will or not it's going to happen because it's going to be a matter of national security.

Am I just being a conspiracy theorist to say things like that, or do you think it's gonna be that important?

Alex: I would say I wholeheartedly agree with you. I think it almost mathematically impossible to be otherwise. I think that already we're already at the stage when being skeptic about AI role in the military developments is a thing of the past.

There is really almost no room left for skepticism about what you're saying. It'll almost inevitably will be an arms race in terms of ai. What is interesting, I was even thinking, which is completely independently of what you just said. Specifically this morning I was thinking about the impact of AI, and military, and I was thinking that paradoxically, it'll probably increase dramatically military budgets because of this AI paranoia.

But on the other hand, it actually will increase employments because eventually we're not gonna need ground troops. I think we are outliving the age of ground troops or just generally military personnel? I think people pointing and shooting is very close to becoming a thing of the past. And actual human troops will be used more like mediators.

Peacekeepers rather than as assault force because like it's moving much more to I think, Autonomous weapons and autonomous weapons will not far function without complicated AI. And there's just no way a human being can push buttons as quickly as AI can. So there will be no competition. You cannot have a human army fighting a robotic army.

If anybody reads murder Bot diaries, which is popular books this day, so watch the show. They can feel that humans cannot. Fight against bots, it's not gonna work. That's kind. But that's my view on the military. So I think it's almost unavoidable. And I think it touched on something which I think a lot about and also agree with you, is the energy crisis.

Erik: Let's move into energy next then, because these are so tightly related. I think that we're headed toward an energy crisis before AI hit the stage. With AI hitting the stage, I think AI is gonna become a really big deal. A lot of people, a lot of regular mom and pop Main Street folks are gonna say, Hey this AI thing is using up too much of our energy.

It's making our electric. Bills double in price. We gotta shut AI down. We've had enough of it. We want our energy bills back to what they were. And the US military is gonna say no. We absolutely have to keep the emphasis on winning the AI race because it is an existential threat in the new world, and we have to continue.

I think it create, I think it exacerbates an energy crisis that was already certain to happen. And I think that energy crisis is gonna be. Bigger political topic than the energy crisis of the 1970s. Do you agree with that? And if so, what's the outcome and which energy sources do we see need to see the most investment in where the investment plays?

Alex: first of all, I will say that like the actual structure of energy market. It's very hard to predict it. As a macro trader, you almost have to be a scientist, right? Or a futurist because you don't really there is a political factor. For example, certain things like Thorium reactors, right? They might be, they probably feel, we probably all know that they're feasible, but the adoption of them, there is various political aspects and problems of adoption of various types of energy could be an issue.

However. There is a lot of like scientific questions. We don't know what kind of energy sources will become most efficient or cheapest in the future. How quickly we're gonna be able to build energy efficiency of computation. So I do

not know exact structure, what's gonna happen, but what I think is undeniable is that compute is growing and okay, you could say, I told you I have to say I have tons, I've been pounding my fist on the table over there for probably about a decade long before I even knew anything about LMS and chat GPT, it was always in my head that when I look at the growth of compute, that eventually it would consume the vast share of energy of humanity that was unavoidable now for decades.

The only reason why it was not noticeable, because compute was taking very small portion of all overall energy, but the way it was growing, it was very clear that the charts were undeniable. It would overwhelm everything. And I think it's continuing to, it. It's continuing to grow and it overwhelm all other energy demands.

Like there and no, and there is no way, at least in my mind, technology, whether it's. Renewable sources or introducing more nuclear sources or even fusion will be able to catch up with it because I know that you tend to be more skeptical of fusion than I am, but even in the most optimistic prognosis of introduction of fusion, like even if you're the biggest fusion enthusia, by the time you put fusion online and actually the actual capacities of fusion, I think the demand for compute will outrun it.

And even with the most optimistic view of energy efficiency, improvement of compute, still compute will grow faster than any of other stuff. I just don't see how and what would stop that, I think that train is off the rails. So energy will unavoidably become a bottleneck. What has been a conundrum for me? The question that you ask, how to invest in energy. For example, a couple of years ago I was reasonably constructive on oil.

I was not long front oil contracts, but I was for long deferred oil contracts. But and for a while the trade worked okay because whatever the front end was flopping around deferred oil was earning carry from backwardation. I was able to sit on it, but last year it went all into downtrend and I just got out of oil.

I had to wave a white flag there with oil. And my question is now will oil even be meaningful in terms of powering the compute of the future? Does it even matter what the oil price is? For now obviously it does, but will we just, the other sorts of energy become so overwhelming that oil does not even matter?

Now I've obviously an interesting place to look at has been uranium and it has

been done doing very well, and I've been constructive on uranium mining and remains so. But then we can see will that be efficient enough? Should we look at some other chemicals elements, so should we look at other sources of energy. So overall, the demand of energy will continue growing. That's, for me, that is a given for me. It's very likely that energy will be the bottleneck for civilization, for the growth, for I think energy, what we're gonna run into. To me that's the most likely stumbling block for the next few decades. But the last question.

What kind of energies actually will be mining and will prove to be most profitable? I feel a little bit outta depth because. There is a lot of scientific questions there.

Erik: It makes sense. Alex and I couldn't agree with you more, that the most important thing is going to be a thirst for energy and a shortage of energy.

I see it as a competitive issue between nations and frankly, this scares me a bit, but China is kicking ass. China is building more. They have more planned and under construction conventional lightwater reactor based nuclear plants already in the works than the entire US fleet of nuclear plants. They are doing more with, you mentioned thorium reactors earlier.

They're doing more with molten salt and thorium reactors than anyone else, and they've advanced the technology that was developed at the Oak Ridge Laboratory in the 1960s and taken it to the next level. Already, they've already announced a fleet of container ships to be powered. By thorium reactors, they're doing on both the conventional and advanced nuclear more than anybody else.

Meanwhile, they're building out wind and solar and and every kind of imaginable power plant, and they're doing it. At a pace that's not constrained by the, in North America we have to have public hearings and consider the implications on the Native American tribes and so forth before we build anything.

They don't follow those kind of rules. The government just says we're gonna build and build like crazy. And that's what they're doing. And I don't see how we're going to keep up in what I think is a race for who can build enough energy to power AI to create military dominance, which is what I think this race is really about.

Alex: Yes, I would agree. This is scary. The only thing I would say is that the

history shows when a communist run country starts, this kind of by decree build out of anything, it usually goes sideways. The history of the Soviet Union shows, even if it at the moment, it is terrifying, but it's not none less, no less terrifying.
Those build outs are terrifying. They just in the end sometimes for reasons which are very hard to predict and that being pointless or useless. Or obsolete or dysfunctional. So I will not completely, I'm not completely certain that China will succeed, at what're doing not waste end up huge. Failed state debacle. That is, at least that's what the history would suggest is gonna happen.

But first of all, it could be different this time. And secondly, it's terrifying nonetheless, because failed states can become dangerous as well.

It's more like the arms race itself is terrifying. It's as you mentioned, this situation, when there is such a counter position, it is definitely something to really worry about. I don't know how to trade that, but it's definitely something to worry about.

Erik: Going back to what types of energy and maybe things that we could trade.

Let me run my thoughts on this past you and get your feedback. It seems to me like the AI crowd has already figured out that the right strategic long-term answer is nuclear, and they're already doing a lot of investment on that. But I think what they're going to find out very quickly is, although that is exactly the right long-term solution, it.

It takes longer and costs more to build than you bargained on, and particularly the takes longer part, I think is going to become debilitating for the hyperscalers that are used to doing things on a much more immediate timeframe. It seems to me what's coming is there's gonna be this moment of reckoning where everybody says, oh boy, we gotta figure out.

At any cost. What can we build quickly from available fuels that doesn't take as long as nuclear? And I think the answer is natural gas fired power plants. And I think that probably the biggest bottleneck is going to actually be the gas turbines. Those great big turbine machines that are used to create the dual cycle gas turbine plants, the efficient gas.

Fired electric generation things, there's like a six year lead time to order those.

Somebody is going to have to massively ramp up production of those. And it seems to me that gas fired power plants as an interim solution until nuclear can be built is likely to be a really important investment play of the next decade.

What do you think of that thesis?
Alex: It makes a lot of sense for me especially because US definitely has some natural gas. So that is not probably, as you say, it's probably natural quantity of natural gas we could get is probably not gonna be the first bottleneck. And it is also true, yes. Nuclear plants have a 10 year cycle to put them online.

I don't know if it's correct, but that's my impression. So there is definitely something like this might happen. The thing that I would say that my take on this Military Cold War ramp up crisis situation? I think the current, the way the current wind blows and with the current administration, I feel like us will have some flexibility to just declare with the various, with our military production acts to clear some of the obstacles and make things happen much faster. If they're if they're on the same page as those hyperscalers who are trying to do, then they could clear a lot of regulations outta the way. That's my impression. So things might go faster than they have in the past, even in terms of nuclear power, but in, but that could also pertain to production of those turbines you're talking about.

Erik: I think that is already happening in nuclear power. And for anyone in the audience who's not aware, normally the Nuclear Regulatory Commission has been in charge of all things nuclear and frankly they're a bureaucratic organization that I think, has done more to stand in the way of progress than to regulate it over the 50 or so years that they've been in business.

The DOE, the Department of Energy is literally end running them and has introduced their own. Regulatory process to say if you wanna bypass the NRC completely, you can go for a DOE approval maximum. I think right now they just increased to 30 megawatts thermal nuclear reactor energy can be prototyped in a DOE permit without NRC approval. So that's, I think, the first time in the history of the United States that a that a private sector company could apply for taking a nuclear reactor critical that means actually making, nuclear energy from it without an NRC approval. You can get it from DOE now, and as I perceive this, it's basically some political infighting where DOE says, we're not gonna wait for the NRC to get its act together.

Provide the people who need it with an alternate path to, to get to nuclear energy. And already a bunch of companies have jumped on that. Now, that

doesn't allow you to build the gigawatt power plants that we need, but it does suggest that maybe we're on the path to getting there. And what I think is gonna happen is we're gonna realize, it still takes years to get some of these new advanced reactor designs figured out and scaled up and ready to really build at scale. In the meantime, we need a whole bunch more natural gas. We got plenty of gas. It's not gonna be a question of there not being enough gas and. As I understand it now, it only takes about a year and a half to build a new natural gas fired power plant.

Once you've secured the the turbine the turbine itself, there's something like a six year backlog to order those things, and that's where I think somebody's gonna have to do some, as you say, wartime kind of thinking to dramatically upsize the capacity for building. More natural gas, fire power plants quickly, and I'm trying to figure out what the investment play is in order to get on top of that one.

Alex: Yeah, definitely that would be an interesting play. But under this thesis, anything related to energy build up where the nuclear natural gas could be a good play because both of them could work out because as a, you could argue that if energy demand will grow as far and as rapidly as we think. Any marginal energy will be good. Any sort marginal source of energy, any incremental energy will go up in price. That could be one argument, but another argument would be that certain energy sources will just go outta style and nobody will pay attention to them. That those are the two arguments I'm torn between.

But definitely energy is an interesting sector and whatever happens in energies I wanna reiterate, I do think that will be the bottleneck.

Erik: Let's move on to another sector, which boy is really getting your attention if you are long, precious metals. We've just seen a whipsaw in the precious metals market as well.

It's a whipsaw in gold. It's more knocked out and down for the count in silver and bitcoin. What's going on with precious metals? Why, a lot of people are, were saying that it was caused by Kevin Walsh's nomination. I don't believe that. I think it may have been a catalyst to bring about a, an overdue correction.

But what do you think happens next here for precious metals and what caused, what just happened?

Alex: Yeah, first talking about the nomination to me. It is more likely as what you're saying, and that's what I wrote in my recent investor letter, that if you notice, the nomination didn't really impact the dollar or the interest rates that much.

Everything moved just a tiny bit, but there was no real big repricing. So clearly precious metals were reprised because there was some vulnerability there and it's unsurprising given, like how huge and relentless was the rally in, for example, silver that probably some people are very long silver and then they had probably some trailing stops and, which as people often do, when you have a market on which you have huge gains, you don't wanna quite give them up.

So you put a trailing stop, right? But then when as trailing stops starting getting taken out, suddenly markets starts gapping down and it has to clear at the level, which is more like. Close to the long term trend. I do not honestly know if that signifies the end of the precious metal cycle.

It's hard for me to say because silver ran for, I was constructive on silver for very long period of time, but it ran much further than my price targets. It reached my price targets in 2025 and went past them and went further and further. Like I did think that silver would get to 50-60 I didn't really have. 115 penciled in for January, 2026.

Not that I said it couldn't go there, but my conservative price targets were lower. To me the most interesting about precious metals is they have very long, multi year cycles and they're not simultaneous. There is gold wind. Much earlier than silver.

And while gold was making new highs recently, it definitely slowed down compared to silver. And silver was dormant forever, and then silver took off and overtook gold. If you look at gold silver ratio, it went from extremely high to actually to the lower end of the range in January. Now Platinum was sitting dormant for even longer.

Platinum was basically sitting at $900,000 forever, and then it took off in 2025 and started trying to race to catch up to silver, but it's still way behind now. They all corrected, but to me gold seems to be a flatlining. Silver is trying to decide. Platinum I think is still early in its cycle. Of course we can also go to Palladium, which I'm working, watching currently slightly less, but also

interesting metal.

And it has to do like platinum palladium ratios have to do with, of course EV adoption and like the industrial use. But platinum has pretty solid underlying other, some store of value demand, some jewelry demand. So there are, it cannot be just attributed all to. Automobile industry usage. So I think it's very hard to pinpoint what moves precious metals on a given day.

It's easier to just look at the charts and see what are the price ranges for them. And to me, if you look at historical range, I see silver might have done the full cycle. Gold has gone further than one would've expected, and platinum has not yet gone very far.

Erik: Alex, let's move on to Japan and the Japanese Yen. What's your take of what's going on there?

Alex: There has been, like, if you really think about global macro markets, the moves in Japan are probably away from the volatility and precious metals. Japan had probably the most movement, the most interesting movement, and the interest rates. Rose dramatically in Japan with curve Steepening.

Who would've thought that like some bonds yield in Japan will touch 4%? I think like a few years ago it would be completely unthinkable and yen in Japan actually running persistent inflation and yen significantly weakening. Against dollar and even more so against other low yielding currencies you could look like, for example, Yen weakening significantly against China, against Swiss Franc is probably the most dramatic currency pair.

That trend has been relentless and it seemed like every single thing that happened in Japan on the political front reiterated this trend, like the elections, the new election. Iteration of the power of the current ruling party. All of this is like more spending weak again, strongest stock market higher interest rates.

That seems to be the theme. I do think that we could be at an inflection point of this theme because now I think all of this is priced in and also all of this is priced in. And also besides. The story, there's also location. We're seeing very high interest rates in Japan and extremely weak currency.

Typically, we develop market currencies. There is some sort of pendulum that eventually slows down and starts swinging in that direction. And one of the

things I started to think of about, and particularly recently is, okay, we got strong stock market, very pro growth policy. We have high bond deals, why wouldn't people wanna invest in Japan right now?

And if people wanna invest in Japan. Either by repatriating money to jbs or to foreign foreigners buying JGBs or people trying to still get a piece of Nikkei, as it keeps rallying and Japanese stock market or investment, why wouldn't that eventually lead to stronger yen? And just over the last couple of days, that sentiment seems to have shifted in that direction.

I still don't know if it's a long term Tectonic shift, just a blip compared to the overall trend. But that is something for me, interesting to look at. And what is interesting for me is that in my first book, the next Perfect Trade I talked about, certain perfect scenarios that occur sometimes. And one of the great trades of the past was in 2014 to be long dollar when dollar was very weak and long US bond market when the shortterm interest rates were low. But the curve is very steep and we have the setup in Japan right now. We're having very steep yield curve and very steep yield curve. Still low. Very low real rates because of inflation.

Very low nominal rates in front, steep yield curve, and very weak currency. And we have the situation that if BOJ is not going to tighten you just make money on the roll down of the long end of the curve. But if BOJ continues to tighten, eventually it'll strengthen the currency and the long end of the curve will probably be fine anyway because the curve will just flatten..

So I'm seeing that. Seeds of the really positive situation to long currency. Maybe you should belong everything stock market there too, but I'm a little more ambiguous on stock market, but long currency and bonds in Japan.

Erik: Alex, you just mentioned your first book written in 2015, the Next Perfect Trade.

I wanna come back to that. That book got a lot of attention when it was first published. You talked about being a macro trader and really broke down what you did and how your process works, looking for dislocations in markets. Then in 2022, you wrote another book called The Trades of March, which was all about the COVID pandemic and the trades that you had to make in March of 2020, and what that process was like.

You've got a new book out. You've gone back to the original title, which is, it's not the same book. It's a new version of the Next Perfect Trade. Why now for a sequel to your first book and what's it about?

Alex: I wanna go back to what always bothered me about strategy books. It's them survivorship bias.

So when I wrote the book in 2015, which came out, I was writing it 2014-2015 It's was a strategy book it is a set of strategy principles, how I choose trades, which are more likely to make money in the long run, how to make myself be a casino rather than a gambler. Basically turn the how to gain the edge in the market, in my favor in the markets, regardless of whether my economic views are correct or wrong. So I was trying to focus on how not to figure out the economic outcomes, but how to structure.
We need trades which bring you positive expectations. So that was what my book was about, but by definition, this book arose from the fact that I had some success trading up to that point. And people who don't make any money, generally, it's much harder to get your people to read your book. So but it had an element of looking back and just saying that worked for me and hence I'm proposing it.

So the question would have to remain with the readers. Whether the principles I laid out in this book would continue to work going forward. Do they actually. Have value or is it just a coincidence that those principles worked prior to the time the book was published?

Now, in, in when I wrote the trades of March about COVID trading, I refer to my first book a lot and like how the principles lined up, they popped up, but it was not in a systematic way obviously a very unusual enviroment and navigating those highly unusual situation, and I did talk about how I drew from the experience of previous crisis such as September 11th or global financial crisis, what I've learned and the mistakes I made back then and how I was, what things I was able to do better in 2020 and what things came up again. But that was more of a feel of a trading diary.

Now I went back and wanted to do a second edition of my first book. Because I wanted people to really be able to judge objectively how my principles did actually work out, and also I wanted to be judged whether I'm occurring to them, myself or not. That's one of the reason, going back to the trades of March.

That's one of the reason the trades of March that published our internal trade chatter without reductions so people could see all our screw ups, all our successful, so people could really be in a cockpit with us and see the process. What I'm doing here, I wanna put more like intellectual cockpit and say, okay, this is my text on 2015.

This is what I said in thousand 15. And then I added notes from 2025. Saying this did indeed work out correctly here I was wrong. Or this principle, I've actually succeeded in applying in such and such situation. And this principle I failed to apply. And those are mistakes I actually made even.

According to my own strategy, which is probably the worst kind of mistake, the worst kind of mistakes, which you laid out your own strategic principles and then ended up not having the discipline to follow them. And I'm totally open about the fact, and I think really every trader has to be open about the fact that it does happen to all of us.
We all have our vulnerabilities, our moments of. Either stubbornness or confirmation bias or laziness or procrastination or fear or whatever it is that led us or succumb being succumbing to external pressure, which leads us to deviate from what we think is the absolute best we can do. All we can strive is to be the closest we can to the best we can do, but none of us can do it perfectly.

And I'm trying to really delineate in this book where and how you can notice both the successes and the flaws of my thinking of 2015. The ideas were quite current I believe that artificial intelligence will step in to augment everything we do. But what I said back then that there was a certain horizon, in my opinion, left for discretionary trading. If anything, I think the horizon shot on the bit because artificial intelligence grew even a little faster.

Then I expected, even though I was always optimistic on artificial intelligence, but it went unscheduled and I'm giving this as an example to trace my thinking, was my thinking aligned with what happened afterwards, and was my trading aligned with my thinking?

Those are two separate questions, but both of them are important.

Erik: Alex, I really wanna salute you for the honesty that you show and the approach that you take of highlighting your own mistakes. As you say we all make them. There's nobody who's exempt from that. What's quite unusual

though, is Wall Street guys admitting their mistakes publicly.

So many people in this industry, just to highlight, look at what I did here. I made this incredible winning trade. Hooray for me, without acknowledging that, their actual long-term trading record is not nearly so good. So I really applaud you for. Are, taking this open book approach to doing things for people who are fascinated with this.

Help us understand, though, because this new book is really a rewrite or a new version of the original next perfect trade. Does it make any sense at this point to read the first one? Should people start by reading the new edition of the Next Perfect Trade and then maybe the trades of March? Is there any reason at this point to, to read the 2015 book?

Alex: No, I think people should read the current book because all the material which was in the first book is still there. In fact, I mostly kept the wording of the first book, even though I could have edited it more because I wanted people to read what I wrote back then and what I wanted to be very exact about. This is what I was thinking back then. And then I have a note. This is what happened Now. So I take everything, all the content, everything you can get from the first edition, you can have in the second edition. So now it's the second edition of this book that is for sale on Amazon and that's what, or in other venues, and that's what I encourage people to purchase. But however, if you read the first book, you can still find a lot of value to in reading the second edition.

Erik: And the second edition is very reasonably priced at only 10 bucks on Kindle right now. I assume that's an introductory price. It looks like the the normal price is 32 bucks and it's 10 bucks right now.

How long does that last?

Alex: I think Kindle will be there for a little bit. It's $32, I think it's for hard covers. So there is like a hard car or paperback, Kindle versions. There will be Amazon. You know, I cannot really control honestly the prices. So that Amazon does always, because Amazon does its own things. Yeah, just I incur, I'm just asking people to give it a shot.

And if you read it please leave reviews on Amazon. It's very helpful and also generally helps me to know what people think about it.

Erik: And of course Alex, when you're not writing books, you also run a very successful hedge fund for our accredited investor audience that's able to invest in hedge funds than our institutions.

How do they get a tear sheet and more information about your fund?

Alex: People who wanna find out more, either about my fund or about any other. Any of my writing or publicly available information should go to my website, Honteinv.com It's HONTE INV .Com. And there will be like a publicly accessed areas with various articles and books are published and everything like that.

And also for qualified purchases they could apply to get kind of Insight and discuss investments, but that's not something that is open to general public.

Erik: Alex, I can't thank you enough for a terrific interview. Patrick Ceresna and I will be back as Macro Voices continues right here macrovoices.com.